



Entered on Docket
June 29, 2007

Rim Rj

**Hon. Linda B. Riegle
United States Bankruptcy Judge**

LEWIS AND ROCA LLP

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Attorneys for USACM Liquidating Trust

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re:) Case No. BK-S-06-10725-LBR
USA COMMERCIAL MORTGAGE) Case No. BK-S-06-10726-LBR
COMPANY,) Case No. BK-S-06-10727-LBR
USA CAPITAL REALTY ADVISORS,) Case No. BK-S-06-10728-LBR
LLC,) Case No. BK-S-06-10729-LBR
USA CAPITAL DIVERSIFIED TRUST) CHAPTER 11
DEED FUND, LLC,) Jointly Administered Under Case No. BK-S-06-
USA CAPITAL FIRST TRUST DEED) 10725 LBR
FUND, LLC,) Date: April 26, 2007
USA SECURITIES, LLC,) Time: 9:30 a.m
Debtors.)
Affecting:
 All Cases
or Only:
 USA Commercial Mortgage Company
 USA Capital Realty Advisors, LLC
 USA Capital Diversified Trust Deed Fund,
LLC
 USA Capital First Trust Deed Fund, LLC
 USA Securities, LLC

**ORDER SUSTAINING SECOND OMNIBUS OBJECTION OF THE USACM
LIQUIDATING TRUST TO CLAIMS ASSERTING PRIORITY STATUS**

The USACM Liquidating Trust (the “USACM Trust”) filed its Second Omnibus Objection to Claims Asserting Priority Status [DE 3259] (the “Objection”) on March 23, 2007. Appropriate notice of the Objection was given. Responses to the Objection were filed with this Court as follows:

- Response filed by Larry L. and Patsy R. Rieger Revocable Trust [DE 3489] pertaining to Claim No. 10725-01739. A separate motion or stipulation will be filed pertaining to this claim.

- Response filed by Bobbie Marrs [DE 3507] pertaining to Claim Nos. 10725-00444 and 10725-00445. A separate stipulation or motion will be filed pertaining to these claims.

- Response filed by Joanne and Erna Grundman [DE 3480 and DE 3481] pertaining to Claim Nos. 10725-01542 and 10725-01544. A separate stipulation or motion will be filed pertaining to these claims.

- Informal response filed by counsel for Lerin Hills, Ltd. pertaining to Claim No. 10725-01279. Counsel have agreed to continue this hearing until June 15, 2007.

No other responses were filed with this Court. The Objection came before the Court for hearing on April 26, 2007 at 9:30 a.m. Good cause appearing, it is

ORDERED:

- Sustaining the USACM Trust's Second Omnibus Objection to Claims Asserting Priority Status listed on Exhibit A attached;
- Reclassifying the Proofs of Claim listed on Exhibit A attached as general unsecured claims; and

1 • Reserving the right of any party in interest, including the USACM Trust, to
2 further object to any and all claims listed on Exhibit A attached as unsecured claims or
3 otherwise, whether or not the subject of this Objection.

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6 PREPARED AND SUBMITTED:
7 **LEWIS AND ROCA LLP**
8
9 By: /s/ RC (#0006593)
10 Susan M. Freeman
11 Rob Charles
12 *Attorneys for USACM Liquidating Trust*
13
14 APPROVED/DISAPPROVED APPROVED/DISAPPROVED
15 APPROVED/DISAPPROVED APPROVED/DISAPPROVED
16
17 Joanne Grundman Erna Grundman
18
19 APPROVED/DISAPPROVED APPROVED/DISAPPROVED
20 **KEHOE & ASSOCIATES**
21
22 Bobbie Marrs By: Ty E. Kehoe
23 *Attorneys for Lerin Hills, Ltd.*
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25
26

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2 further object to any and all claims listed on Exhibit A attached as unsecured claims or
3 otherwise, whether or not the subject of this Objection.

4 ####

5
6 PREPARED AND SUBMITTED:

7 **LEWIS AND ROCA LLP**

8
9 By: /s/ RC (#0006593)
10 Susan M. Freeman
11 Rob Charles
12 *Attorneys for USACM Liquidating Trust*

13 APPROVED/DISAPPROVED

14 Larry L. Rieger

15 APPROVED/DISAPPROVED

16 Joanne Grundman

17 APPROVED/DISAPPROVED

18 Bobbie Marrs

13 APPROVED/DISAPPROVED

14 Patsy R. Rieger

15 APPROVED/DISAPPROVED

16 Erna Grundman
17 Erna Grundman

18 APPROVED/DISAPPROVED

19 KEHOE & ASSOCIATES

20
21 By: Ty E. Kehoe
22 *Attorneys for Lerin Hills, Ltd.*

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2 further object to any and all claims listed on Exhibit A attached as unsecured claims or
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10 Susan M. Freeman
11 Rob Charles
12 *Attorneys for USACM Liquidating Trust*

13 APPROVED/DISAPPROVED

14 APPROVED/DISAPPROVED

15 Larry L. Rieger

16 APPROVED/DISAPPROVED

17 APPROVED/DISAPPROVED

18 Patsy R. Rieger

19 APPROVED/DISAPPROVED

20 Erna Grundman

21 APPROVED/DISAPPROVED

22 Joanne Grundman

23 APPROVED/DISAPPROVED

24 KEHOE & ASSOCIATES

25 Bobbie Marrs

26 By: Ty E. Kehoe
27 *Attorneys for Lerin Hills, Ltd.*

1 CERTIFICATION OF COUNSEL PURSUANT TO LOCAL RULE 9021

2 In accordance with Local Rule 9021, the undersigned certifies:

3 The Court waived the requirements of LR 9021.

4 I have delivered a copy of this proposed order to all attorneys and unrepresented
5 parties who have appeared at the hearing regarding this matter and/or who filed
a written objection and each has:

6 approved the form of this order (Joann Grundman; Erna Grundman; Ty
E. Kehoe);

7 waived the right to review the order;

8 failed to file and serve papers in accordance with LR 9021(c); and/or

9 failed to sign and return this proposed order within five (5) business days
10 in accordance with LR 9021(b) (Larry L. Rieger; Patsy R. Rieger;
Bobbie Marrs).

11 I have delivered a copy of this proposed order to all attorneys and unrepresented
12 parties who appeared at the hearing regarding this matter and/or who filed a
written objection and all have either approved the form of this order, waived the
13 right to review the order, failed to file and serve papers in accordance with LR
9021(c) and the following have disapproved the form of the order:

14 No opposition was filed to the motion and no other party or counsel appeared at
15 the hearing (none required).

16 **LEWIS AND ROCA LLP**

17 By: /s/ RC (#0006593)

18 Susan M. Freeman

19 Rob Charles

20 *Attorneys for USACM Liquidating Trust*

Exhibit A**USA COMMERCIAL MORTGAGE**2nd Objection to Claimants Asserting Priority Status - Reclassify as General Unsecured Claims

<u>Claimant</u>	<u>Proof of Claim Number</u>	<u>Date Claim Filed</u>	<u>Proof of Claim Amount</u>	<u>Proof of Claim Priority Asserted</u>	<u>Proposed Treatment/Comments Objection</u>
1 Fine, Lewis H & Arlene J Po Box 487 Oaklev. UT 84055-0487	10725-01536	12/4/2006	\$108,266.64	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
2 Fine, Lewis H & Arlene J Po Box 487 Oaklev. UT 84055-0487	10725-01534	12/4/2006	\$40,089.59	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
3 Fine, Lewis H & Arlene J Po Box 487 Oaklev. UT 84055-0487	10725-01537	12/4/2006	\$4,583.35	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
4 Fine IRA, Lewis H & Arlene J C/O First Trust Of Onaga Ks Po Box 487 Oaklev. UT 84055-0487	10725-01533	12/4/2006	\$44,253.44	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
5 Fine IRA, Lewis H & Arlene J C/O First Trust Of Onaga Ks Po Box 487 Oaklev. UT 84055-0487	10725-01535	12/4/2006	\$151,909.69	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
6 Fossati, David C/O Martin P Meyers 1000 Sw Broadway # 1400 Portland. OR 97205	10725-00898	11/1/2006	\$57,609.00	U P, S - undetermined	Claim is not entitled to priority status and should be classified as a general unsecured claim.
7 Fossati, David C/O Martin P Meyers 1000 Sw Broadway Ste 1400 Portland. OR 97205	10725-00106	8/10/2006	Unknown	S, P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
8 Fuller, David & Monica 955 Mullen Henderson. NV 89044	10725-01231	11/9/2006	\$215,404.36	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.

2nd Objection to Claims
Asserting Priority Status**EXHIBIT A**

9	Hansen Ira, Herbert Po Box 841217 Dallas, Tx 75284-1217	10725-00490	10/6/2006	\$49,287.29	P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
10	Hefner, Stephen R 10329 Evening Promrose Ave Las Vegas, NV 89135-2801	10725-00535	10/10/2006	Blank	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
11	Huff, Gail L 3578 April Springs St Las Vegas, NV 89147-7720	10725-00771	10/27/2006	Blank	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
12	Gish Family Trust Dtd 6/25/89 George J & Deanna K Gish Tees 2104 Red Dawn Sky St Las Vegas, NV 89134-5538	10725-00387	10/2/2006	\$54,500.00	S, P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
13	Gordon, Marx 2620 Western Ave Las Vegas, NV 89109-1112	10725-01709	12/11/2006	\$115,000.00	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
14	Graham Family Trust Dtd 10/26/78 Robin B & Celia Allen Graham Tees 1460 Twinridge Rd Santa Barbara, CA 93111-1223	10725-00496	10/9/2006	\$49,672.48	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
15	Gralinski, Richard 7825 Geyser Hill Ln Las Vegas, NV 89147	10725-00249	9/26/2006	\$2,702.18	P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
16	Grundman, Erra 1608 Brown St Gardner City, NV 89701	10725-01542	12/6/2006	\$17,911.14	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
17	Grundman, Jeanne 1608 Brown St Gardner City, NV 89701	10725-01544	12/6/2006	\$54,818.08	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
18	Hill, Robert W 4900 San Timoteo Ave Nw Albuquerque, NM 87114-3813	10725-00356	10/2/2006	\$800.39	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.

19	Houghton Dental Corp Psp F/B/O Geraldine Houghton 2871 Pinta Peris. CA 92571	10725-01257	11/9/2006	\$400,000.00	P, U -- Unknown	S	Claim is not entitled to priority status and should be classified as a general unsecured claim.
20	John W Brouwers Md Sep Ira 2333 Dolphin Ct Henderson, NV 89074-5320	10725-00806	10/30/2006	\$163,611.11	S, P	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
21	Johnson, Tamara 310 Parkhurst Dr Caldwell. Id 83605	10725-00277	9/27/2006	\$40,000.00	P	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
22	Kenneth Addes IRA 100 W Broadway Apt 7V Long Beach, NY 11561-4019	10725-01620	12/8/2006	\$113,416.64	S, P, U	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
23	Kiven, Norman Andrew J. Abrams ESQ Sugar Friedberg & Felsenthal LLP 30 N LaSalle St. Ste 3000 Chicago. IL 60602	10725-01478	1/15/2006	\$48,248.00	P, U	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
24	Larry L & Patsy R Rieger Reversible Trt- Dtd 8/4/91- Larry L & Patsy R Rieger Trt- 2615 Glen Eagles Dr Reno, NV 89523-2080-	10725-01739	12/11/2006	\$292,852.00	P, U	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
25	Lawson, Paula M Po Box 18652 Reno. NV 89511-0652	10725-01117	11/8/2006	\$45,110.52	P	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
26	Lee, Devin 7493 Big Cottonwood Ct. Las Vegas. NV 89123	10725-00943	11/2/2006	Blank	P	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
27	Leff-Kaplan, Renee 4330 Romero Drive Tirzana. CA 91356	10725-00618	10/17/2006	\$60,000.00	P	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
28	Leffin Hille Ltd 4820-Bacon-Rd San Antonio, TX 78249-4901-	10725-01279	11/10/2006	\$2,054,409.02	P, U	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.

29	Luongo, John M & Gloria 965 Leah Cir Reno. NV 89511-8524	10725-02158	1/12/2007	\$28,804.73	P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
30	Mars-IRA, Bebbie 5753-Bedrock-Springs-Ave Las-Veas. NV 89131-3833	10725-00445	10/5/2006	\$63,139.45	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
31	Mars-IRA, Bebbie 5753-Bedrock-Springs-Ave Las-Veas. NV 89131	10725-00444	10/5/2006	\$131,278.90	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
32	Martin, Jerrold T & James T 8423 Paso Robles Northridge. CA 91325	10725-00320	9/29/2006	\$2,630.83	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
33	Milton P. Kaplan Profit Sharing Plan Dated 10/1/77 Milton P. Kaplan, Md, Tee 18370 Burbank Blvd., Ste. 501 Torrance. CA 91356	10725-00642	10/19/2006	\$12,951.80	P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
34	Morgan IRA, Rosalie A 6869 Eagle Wing Dr Sparks. NV 89436-8496	10725-01512	11/29/2006	\$126,910.00	S, P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
35	Musso Living Trust Dtd 11/30/92 C/O Walter & Barbara Musso Tees P o Box 2566 2535 Lupine Canyon Rd Avila Beach. CA 93424-2566	10725-00303	9/29/2006	\$35,426.83	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
36	Noxon Family Trust The C/O Arthur G & Joan Noxon Tees 2657 Windmill Pkwy #197 Henderson. NV 89074-3384	10725-00972	11/3/2006	\$35,426.83	P, S	Claim is not entitled to priority status and should be classified as a general unsecured claim.